How Health Care Reform Impacts Main Street Employers:

By: Payne Financial Group Inc.
Angela Dowling, Benefits Agent
Helena, Montana
(406) 457-5172

The objective of health care reform was originally intended to extend coverage to the uninsured and lower the cost of health insurance coverage. Instead, the law has caused health care costs to increase and therefore employers are struggling to maintain and create jobs.
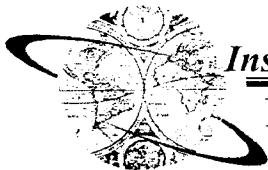
The harmful impacts to main street America employer:

- Increase in health care costs of between 3-5% (Kaiser Permanente, 2010)
- Required employers to comply with additional administration and regulations.
- Limits competition as smaller health insurance carriers will find it hard to compete with medical loss ratio requirements and potentially go out of business or merge with larger carriers.
- Penalties for employers that do not offer coverage – additional expense to employers that take away their ability to offer jobs.
- Limits plan designs so employers lose freedom of choice with plan designs that meet their financial and business needs.
- Includes significant benefit requirements that increase costs to carriers and then gets passed down to employers and consumers.

Finally, the medical loss ratio requirements will limit what and how carriers pay insurance agents for placing coverage. The restrictions will be so great that the role of the independent agent will be marginalized and limited. *That means over 4,300 agent jobs could be lost in the state of MT, not to mention supporting staff.*

Why is an insurance agent important?
Agents don't just place coverage with a carrier. Most employers rely upon an agent for the following services in addition to finding appropriate coverage:

- Human Resource Advice
- ERISA Compliance
- Employee education
- Employment policy
- Employee communication
- Claims advocacy
- Health and wellness educational resources
- Financial advice and budget analysis

Insurance agents are trusted advisors for clients and employees!

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